

FEMSA Announces First Quarter 2018 Results

Monterrey, Mexico, April 26, 2018 — Fomento Económico Mexicano, S.A.B. de C.V. (“FEMSA”) (NYSE: FMX; BMV: FEMSAUBD) announced today its operational and financial results for the first quarter of 2018.

FINANCIAL HIGHLIGHTS:

- 40 basis points of gross margin expansion at FEMSA Consolidated
- 22.5% Income from operations growth at FEMSA Comercio’s Retail Division
- 11.6% Income from operations growth at FEMSA Comercio’s Health Division
- Operating margin recovery to 1.3% of total revenues at FEMSA Comercio’s Fuel Division
- 2.5% volume growth at Coca-Cola FEMSA Brazil

FINANCIAL SUMMARY FOR THE FIRST QUARTER OF 2018

Change vs. same period of last year

	Revenues	Gross Profit	Income from Operations	Same-Store Sales
FEMSA CONSOLIDATED	4.0%	5.1%	3.9%	
FEMSA COMERCIO				
Retail Division	13.9%	15.1%	22.5%	7.5%
Health Division	3.6%	8.3%	11.6%	0.8%
Fuel Division	16.2%	42.6%	121.0%	3.6%
COCA-COLA FEMSA	(3.2%)	(1.7%)	(3.4%)	

Eduardo Padilla, FEMSA’s CEO, commented:

“There are a number of reasons to be cautiously optimistic in our results for the first quarter. FEMSA Comercio’s Retail Division showed solid growth trends across its income statement, although we must remember that some of that came from the Holy Week calendar shift and we will likely give it back in the month of April. Nevertheless, profitability trends were structurally positive. The Health Division delivered improved results from Mexico, which may be the first signs that we are turning a corner in this key market after much hard work, while the Fuel Division faced an undemanding comparable base and thus delivered another quarter of gradual sequential recovery in profitability. And at Coca-Cola FEMSA, we continued to see promising signs in our key Brazilian operations, as well as a resilient environment in Mexico, while the team again navigated challenging consumer, cost and tax conditions across several of our markets.

It is also encouraging to see inflation coming down fast in Mexico, bolstering real wage growth, although we continue to expect volatility in the exchange rate in the coming months that could yet spill over and reverse those positive inflation trends. All told, FEMSA’s first quarter results came in a little better than we expected in several of our operations, but the second quarter will be tougher based on the calendar shift, and we continue to expect choppy waters ahead.”

To obtain the full text of this earnings release, please visit our Investor Relations website at www.femsa.com/investor under the Financial Reports section

FORWARD-LOOKING STATEMENTS

This report may contain certain forward-looking statements concerning our future performance that should be considered as good faith estimates made by us. These forward-looking statements reflect management's expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact our actual performance.

FEMSA is a leading company that participates in the beverage industry through Coca-Cola FEMSA, the largest franchise bottler of Coca-Cola products in the world by volume; and in the beer industry, through its ownership of the second largest equity stake in Heineken, one of the world's leading brewers with operations in over 70 countries. In the retail industry it participates through FEMSA Comercio, comprising a Retail Division operating various small-format store chains including OXXO, a Fuel Division, operating the OXXO GAS chain of retail service stations, and a Health Division, which includes drugstores and related operations. Additionally, through its Strategic Businesses unit, it provides logistics, point-of-sale refrigeration solutions and plastics solutions to FEMSA's business units and third-party clients.